

## Report of Independent Certified Public Accountants

To the Board of County Commissioners of  
Broward County, Florida

We have audited the accompanying financial statements of the governmental activities, business-type activities, discretely presented component units, each major fund and the aggregate remaining fund information of Broward County, Florida (the County), as of and for the year ended September 30, 2004, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of County management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Supervisor of Elections Office, Property Appraiser's Office, and Clerk of the Circuit and County Courts, collectively referred to as the constitutional officers of the County, and the Housing Finance Authority and the Health Facilities Authority, collectively referred to as the component units of the County, whose statements reflect total assets of approximately \$11,223,000 for constitutional officers and \$84,704,000 for component units as of September 30, 2004, and total revenues of approximately \$13,538,000 for constitutional officers and \$1,902,000 for component units for the year ended September 30, 2004. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to data included for the Supervisor of Elections Office, Property Appraiser's Office, Clerk of the Circuit and County Courts, the Housing Finance Authority and the Health Facilities Authority, are based solely on the reports of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We

believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Broward County, Florida at September 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States.

The management's discussion and analysis on pages 12 through 16, and the schedules of budgetary comparison on pages 54 through 57 are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the method of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on such information.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 7, 2005 on our consideration Broward County, Florida's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal controls over financial report or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying introductory section, supplemental combining and individual fund financial statements and schedules, supplemental financial schedules, and statistical section are presented for

purposes of additional analysis and are not a required part of the basic financial statements. The supplemental combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections and the supplemental financial schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Ernst & Young LLP*

January 7, 2005